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Financing of the United Nations Mission of Observers in Tajikistan

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Report of the Advisory Committee on Administrative and Budgetary Questions

Addendum

1. The Advisory Committee on Administrative and Budgetary Questions has considered the reports of the Secretary-General on the financial performance of the United Nations Mission of Observers in Tajikistan (UNMOT) for the period from 1 July 1997 to 30 June 1998 (A/53/784), and on the proposed budget of the Mission for the 12-month period from 1 July 1999 to 30 June 2000 (A/53/816). During its consideration of the reports, the Committee met with representatives of the Secretary-General and the Chief Administrative Officer of the Mission, who provided additional information.

2. The United Nations Mission of Observers in Tajikistan was established by the Security Council in its resolution 968 (1994) of 16 December 1994 for an initial period of six months. Since then, its mandate has been extended by the Security Council in various resolutions, and its expansion was authorized in resolution 1138 (1997) of 14 November 1997. By resolution 1206 (1998) of 12 November 1998, the Council further extended the mandate of the Mission until 15 May 1999.

3. As indicated in section V.A of document A/53/816, total resources made available to UNMOT from inception to 30 June 1999, amount to $57,184,837 gross, subject to the extension of the mandate by the Security Council beyond 15 May 1999. Expenditures are estimated at $49,904,237 gross. The Committee was further informed that, as of 31 December 1998, amounts totalling $46.4 million had been assessed on Member States, while payments received totalled $34.9 million, leaving a shortfall of $11.5 million. Furthermore, cash balances as of 31 December 1998 amounted to $8.9 million.

4. Since the authorized strength of UNMOT consists of military observers and civilian police, the Committee notes that there is no reimbursement for troop costs.

5. Voluntary contributions received, as indicated in Section V.B of document A/53/816, from inception to 30 June 1998, include $70,537 in medical supplies from the Government of Switzerland and $1,340,000 in rations for former combatants provided by the Government of the United States of America. The trust fund for the support of public information and related efforts in the United Nations peacekeeping operations shows expenditures of $1,565 from the period from 1 July 1998 to 30 June 1999.

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Financial performance report for the period from 1 July 1997 to 30 June 1998

6. The report of the Secretary-General (A/53/784) contains information on the financial performance of UNMOT for the period from 1 July 1997 to 30 June 1998 and outlines the action to be taken by the General Assembly at its fifty-third session in connection with the Mission.

7. In the report of the Secretary-General, it is indicated that out of the total appropriation of $15,000,000 gross ($14,335,000 net) provided for UNMOT by the General Assembly in its resolutions 51/237 of 13 June 1997 and 52/229 A of 31 March 1998 for the period from 1 July 1997 to 30 June 1998, expenditures amounted to $13,931,600 gross ($13,626,600 net), including a budgeted voluntary contribution in kind of $1,340,000. The resulting unencumbered balance amounts to $2,408,400 gross ($2,048,400 net).

8. The Committee notes that this balance resulted mostly from the delayed deployment of civilian staff, lower than projected utilization of aircraft and the receipt of an unanticipated budgeted voluntary contribution in kind in respect of rations amounting to $1,340,000. These savings were partially offset by additional requirements under the disarmament and demobilization programme and the absorption of UNMOT's prorated share for the cost of maintaining the United Nations Logistics Base at Brindisi. The Committee was further informed, upon inquiry, that as of 31 December 1998 the unliquidated obligations for the reporting period amounted to $3.5 million.

9. In paragraph 11 of the Secretary-General's report, it is indicated that the peace process was disrupted by violence during the reporting period, making progress slow during the period of expansion, which started in mid-November 1997, and resulting in the delay of deployment of additional military and civilian staff. The Committee further notes that out of a budgeted provision of $4,513,700 under civilian personnel costs, there are savings of $528,100, as indicated in annex I to the Secretary-General's report. The unutilized balance resulted from the high vacancy rate associated with the delayed deployment of civilian staff during the expansion period, which averaged 52 per cent for international staff and 55 per cent for local staff after 16 November 1997.

10. The Committee sought clarification in connection with the amount provided under staff assessment of $305,000. The Committee was subsequently informed that due to miscoding between object codes falling under the object grouping of civilian personnel, UNMOT's staff assessment expenditure had been understated by $181,000. The Committee notes that, on that basis, expenditure under staff assessment should have read $486,000 instead of $305,000 as shown in table 1 and annex I to the report (A/53/784). The Committee was also informed that this would not change the unencumbered balance for the period from 1 July 1997 to 30 June 1998, since the difference would be reflected and adjusted in the performance report for the period from 1 July 1998 to 30 June 1999.

11. The slow progress of the peace process has also affected the use of aircraft. As a result, savings of $409,700 out of a budgeted provision of $1,798,300 are reported under air operations, resulting from reduced requirements, as indicated in annex II to the report of the Secretary-General. Transport operations also show an unutilized balance of $68,700, mainly attributable, as indicated in annex II, to savings under purchase of vehicles, resulting from lower than budgeted unit costs of vehicles purchased, under a newly negotiated system-wide contract ($11,300 versus $18,700 per unit). Furthermore, upon inquiry, the Committee was provided additional information indicating that although an amount of $1,596,700 was apportioned for the purchase of vehicles, total expenditures amounted to $1,407,600. However, these savings were offset by over-expenditures of $144,600 under spare parts, repairs and maintenance due to the fact that spare parts were not included in the package negotiated for the new vehicles. The Committee recommends that the Secretariat look into the possibility of negotiating bulk purchases of spare parts as the next step in its recent system-wide contract for the purchase of vehicles. In this regard, the Committee was informed that in the case of Tajikistan in particular, there are virtually no supplies available locally, necessitating procurement from outside the mission area, thus increasing the costs involved.

12. The Committee also notes an over-expenditure of $315,800 under assistance for disarmament and demobilization. As indicated in annex II, paragraph 14, to the report of the Secretary-General, a provision of $1,713,100 had been made for rations and miscellaneous services for former combatants of the United Tajik Opposition (UTO) and for personnel of the Joint Security Unit. The voluntary contribution made by a Member State for the former UTO combatants only, mentioned in paragraph 5 above, offsets the provision of $1,340,000 made in the budget for this purpose. Upon inquiry, the Committee was informed that the additional requirements reported included $110,900 to provide bedding to those former combatants who had to remain in the assembly areas; $189,200 related to rations for the personnel of the Joint Security Unit; and $15,700 for transporting the donated rations for which no budgetary provision had been made.

13. In paragraph 15 of the Secretary-General's report (A/53/784), it is indicated that the action to be taken by the General Assembly, at its fifty-third session, in connection with the financing of UNMOT is a decision on the treatment of the unencumbered balance of $2,408,400 gross ($2,048,400 net) for the period from 1 July 1997 to 30 June 1998. The Committee recommends that the unencumbered balance be credited to Member States in a manner to be determined by the General Assembly.

Proposed budget for the period from 1 July 1999 to 30 June 2000

14. The proposed budget of UNMOT for the period from 1 July 1999 to 30 June 2000 contained in the report of the Secretary-General (A/53/816) amounts to $19,109,400 gross ($17,739,400 net). This estimate reflects a decrease of $475,500 in gross terms, or 2 per cent, when compared with the previous 12-month period.

15. Although the authorized strength of UNMOT remains at 120 military observers, the Committee notes that budgetary provision is made for 50 military observers for the period from 1 July 1999 to 30 June 2000, and that the number of civilian police is increased from 2 to 12. The decrease in military personnel costs is 30 per cent in relation to the previous budgetary period. The cost estimates also provide for a staffing complement of 218 (69 international staff, 143 local staff and 6 United Nations Volunteers), which includes 6 new United Nations Volunteers posts for civil affairs officers, and one new P-2 post to support public information activities. Furthermore, the requirements have been prepared on the basis of five team sites, as indicated in paragraph 7 of the Secretary General's report.

16. In paragraph 31 of his report to the Security Council of 3 November 1998 (S/1998/1029), the Secretary-General indicated that, bearing in mind the constraints imposed by the security situation, the strength of the military component would be maintained at 30 and that the matter would be kept under review in order to make adjustments, depending on developments. The Committee was informed by the representatives of the Secretary-General of the difficulties in forecasting the conditions that will prevail in the country during the budgeted period and, while building up to the full strength of 120 is unlikely, it is desirable for UNMOT to redeploy to the field and, for this purpose, provision is made for 50 military observers in the proposed budget. Hence the request without a vacancy factor.

17. Upon inquiry, however, the Committee was informed that, as of 31 January 1999, there were 31 military observers on board out of the 120 authorized and 58 budgeted for the period from 1 July 1998 to 30 June 1999; 2 civilian police out of 2 authorized; and that of the 68 international and 143 local staff authorized, 44 and 110, respectively, were on board. The Committee was further informed that, during the past three financial periods, UNMOT has only achieved full deployment during the period from 1 July 1995 to 28 February 1996, and nearly full deployment in the period from 1 July to 15 November 1997.

18. In the opinion of the Committee, the uncertainty with regard to requirements for the period 1 July 1999–30 June 2000 is underlined in the Secretary-General's report to the Security Council of 8 February 1999 (S/1999/124), which indicates that the security situation in Tajikistan continues to be "precarious" and that the peace process has been further slowed, leaving a great deal remaining to be done; furthermore, the first two stages foreseen in the protocol on military issues have not been completed and the extended debate of constitutional issues in the Commission on National Reconciliation is still ongoing; in addition, at the present stage "the holding of the constitutional referendum, as well as presidential and parliamentary elections, all to be held in 1999, remains uncertain" (S/1999/124, paras. 22-24). It would seem, therefore, that a number of the estimates contained in the Secretary-General's report (A/53/816) could be affected by developments in the mission area.

19. The Committee also points out that there are 14 mission appointees, representing 20 per cent of the international staff. The cost of post-adjustment of these staff, which amounts to $447,600, can therefore be reduced from the original estimate of $4,780,500 under international staff salaries. The Committee also points out that the provision for staff requirements is budgeted on the basis of full incumbency, and does not take into account the current or past vacancy pattern. Under the circumstances, the Committee recommends a 10 per cent vacancy factor for all categories of staff. Application of a 10 per cent vacancy factor to international and local staff costs would involve a reduction of $1,513,600 gross ($1,376,600 net) in the estimates. The information provided in this regard is contained in the annex to the present report.

20. The estimate under air operations of $2,295,200 reflects a decrease of $239,700 when compared with the estimate for the current budget period (1 July 1998–30 June 1999), resulting mostly from the reduction in the number of helicopters from 2 to 1, partly offset by an increase in the hire/charter cost of the fixed-wing aircraft from $148,500 to $209,000 per quarter on the basis of the current contract.

21. The Committee notes the increase in the provision for public information programmes, indicated in annex I, from

$90,500 for the period from 1 July 1998 to 30 June 1999, to $142,100 for the period from 1 July 1999 to 30 June 2000, to cover public information programme costs of the mission, including acquisition of equipment, material and supplies, as well as the cost of public information production and contractual services.

22. Paragraph 19 of document A/53/816 outlines the action to be taken by the General Assembly at its fifty-third session in connection with the financing of UNMOT. The Secretary-General recommends that the General Assembly appropriate the amount of $19,109,400 gross ($17,739,400 net) for the period from 1 July 1999 to 30 June 2000, to be assessed at the monthly rate of $1,592,450 gross ($1,478,283 net), subject to the extension of the mandate of UNMOT by the Security Council beyond 15 May 1999.

23. In view of the comments made in paragraph 19 above concerning the vacancy rate in UNMOT, and the reduction under international staff salaries resulting from the presence of mission appointees, the Committee recommends that the appropriation proposed by the Secretary-General, indicated in paragraph 22 above, be adjusted downwards to $17,595,800 gross ($16,362,800 net).

Annex

Application of a 10 per cent vacancy factor to international and local staff costs

	(1) *Original estimate (S/53/816)*	*(2)* *Mission appointee related cost*	*(3)* *Revised estimate (1)–(2)*	*(4)* *Revised estimate with 10% vacancy factor (3) x 0.9*	*(5)* *Difference (1)–(4)*
International staff salaries	4 785.0	(447.6)	4 337.4	3 903.7	(881.3)
Local staff salaries	514.8	–	514.8	463.3	(51.5)
Common staff costs	2 517.6	–	2 517.6	2 265.8	(251.8)
Mission subsistence allowance	1 919.9	–	1 919.9	1 727.9	(192.0)
Staff assessment					
International staff	1 284.2	–	1 284.2	1 155.8	(128.4)
Local staff	85.8	–	85.8	77.2	(8.6)
Total, staff assessment	**1 370.0**	**–**	**1 370.0**	**1 233.0**	**(137.0)**
Income from staff assessment	(1 370.0)	–	(1 370.0)	(1 233.0)	137.0
Total, gross	**11 107.3**	**(447.6)**	**10 659.7**	**9 593.7**	**(1 513.6)**
Total, net	**9 737.3**	**(447.6)**	**9 289.7**	**8 360.7**	**(1 376.6)**